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FOR IMMEDIATE RELEASE: March 9, 2005

**ARKANSAS PUBLIC SERVICE COMMISSION WINS GRANT
FROM EPA TO DEVELOP ENERGY EFFICIENCY AND
RENEWABLE ENERGY PROJECTS IN ARKANSAS**

The United States Environmental Protection Agency (EPA) and the National Association of Regulatory Utility Commissioners (NARUC) recently announced the formation of EPA-State Energy Efficiency and Renewable Energy (EERE) Projects between EPA and utility regulators from six states. The six states selected by EPA for the initiative are Arkansas, Connecticut, the District of Columbia, Hawaii, Minnesota and New Mexico. The projects involve state utility regulators working with EPA to explore approaches for reducing the cost of consumer electric and gas bills through cost-effective energy efficiency, renewable energy and clean distributed generation options.

Based on a number of recent studies, EPA estimates that if all states were to implement cost-effective energy efficiency and clean energy policies, the expected growth in demand for electricity could be cut in half by 2025, providing billions of dollars in customer savings, contributing to lower prices for natural gas and substantially reducing greenhouse gas emissions.

Through the EERE projects, EPA and the states will explore energy efficiency and clean energy policies and programs designed to benefit both electric and gas customers. In a growing number of states across the country, cost-effective energy efficiency initiatives are delivering energy savings at costs significantly lower than the costs of constructing new electricity supply or buying natural gas. When implemented, such initiatives will lead to lower energy bills, greater electric system reliability, reduced natural gas demand, and reduced air emissions from power plants.

The projects will build upon the past decade of experience by EPA's ENERGY STAR program in helping utilities and others to implement low-cost energy efficiency programs that deliver energy bill savings to their customers. Through 2004, Americans with the help of ENERGY STAR have reduced national electricity demand by almost 4 percent, saving about \$10 billion annually and avoiding greenhouse gas emissions equivalent to those of 20 million vehicles.

“The Arkansas Public Service Commission is extremely pleased to have the opportunity to work with the EPA to create and implement win-win energy efficiency solutions in Arkansas that will produce energy cost savings for Arkansas ratepayers, and improve the environment” said Sandra Hochstetter, Chairman of the Arkansas Public Service Commission.

For more information contact: Sandra Hochstetter, Commission Chairman, at (501) 682-5809.

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